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C O N F I D E N T I A L SECTION 01 OF 04 COLOMBO 000643

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DEPARTMENT FOR SCA/INS
MCC FOR S GROFF, D NASSIRY, E BURKE AND F REID

E.O. 12958: DECL: 05/02/2017

TAGS: [PGOV](#) [PREL](#) [PTER](#) [PHUM](#) [MOPS](#) [CE](#)

SUBJECT: SRI LANKA: RULING PARTY'S DEVOLUTION PROPOSAL
FACES BROAD REJECTION

REF: A. COLOMBO 539

[1B.](#) COLOMBO 524
[1C.](#) COLOMBO 414
[1D.](#) AND PREVIOUS

Classified By: CDA James R. Moore, for reasons 1.4(b,d).

11. (C) SUMMARY. The ruling Sri Lanka Freedom Party (SLFP) on May 1 released its devolution proposal, which will now move to the All Party Representative Committee (APRC). Unlike most previous APRC drafts, which recommend devolution to the provinces, the SLFP proposal recommends that the unit of devolution should be the district. A Chief Minister, appointed by the President with concurrence of the District Council, would head each district. Under the SLFP plan, powers over several key portfolios would be reserved for the central government, including defense, national security, foreign affairs, and trade. Local newspapers today featured strong negative reactions from think tanks, opposition parties, and minority politicians. President Rajapaksa, during an interview today, said the smaller unit of devolution was necessary to facilitate economic development. Professor G. L. Peiris, Minister of Export Development and International Trade and a prominent "crossover" from the opposition (United National Party) UNP told Charge and Pol Chief privately that the SLFP proposal could not possibly form the basis for draft legislation. He added that it was, in effect, a document for discussion, not a final proposal. Peiris thought that the proposal was aimed primarily at the majority of southern Sinhalese voters who backed Rajapaksa in the November 2005 Presidential election. The SLFP's long-awaited proposal has done little to encourage local observers or the country's Tamil community about the future of the peace process. End summary.

12. (C) The ruling SLFP on May 1 released its devolution proposal, which will now move to the All Party Representative Committee (APRC). The preamble states that the proposal is for public scrutiny and discussion and that the party hopes

its proposal, and the proposals submitted by other parties, will lead to a lasting solution to the ethnic conflict. The SLFP also proposes a return to a Parliamentary system of government and the abolition of the Executive Presidency, but acknowledges that in the absence of a national consensus, the current Executive Presidential system would continue. Under its proposal for devolution to districts, the President would, in fact, acquire even more power.

The Unit Of Devolution

¶13. (U) Unlike the APRC Experts' Committee "majority report" on devolution, APRC Chairman Tissa Vitharana's report, and the main opposition UNP proposal, which all recommend devolution to the provincial level, the SLFP proposal recommends that the unit of devolution should be the district. A Chief Minister, appointed by the President with concurrence of the District Council, would head each district. The Chief Minister would also serve as a member of the District Council. The SLFP also recommends increasing the number of Districts from 25 to 30 on the basis of "geographical and demographic factors." The President would have the authority to assume full control of a district if he was unsatisfied with its administration. Parliament would then confer power to the President to govern the district until "normalcy" was restored. A council of District Chief Ministers, chaired by the President, would meet at least quarterly and would serve as the coordinating mechanism between the district and central governments.

The Village Level

COLOMBO 00000643 002 OF 004

¶14. (U) The SLFP recommends that Grama Sabhas, village level units of local governance, be recognized by the constitution as a tier of government and given certain executive powers and the power to make local by-laws. Members should be elected to Grama Sabhas and those members will select a Chairman and Vice Chairman of the Grama Sabha.

Reserved Powers

¶15. (U) Under the SLFP plan, powers over several key portfolios would be reserved for the central government, including defense, national security, foreign affairs and citizenship, immigration, communication, national transport, international commerce and trade, maritime zones, harbors and airports, shipping, navigation, land, and national planning. According to the SLFP, this is necessary to ensure the sovereignty, territorial integrity, and economic and national unity of the country. The President's powers, including those over public and national security, should remain unchanged.

A Second Chamber

¶16. (U) The SLFP proposes the introduction of a bi-cameral legislature with a second chamber, the Senate. The party argues that this would facilitate sharing of power at the center and provide adequate representation to minorities and minority parties. The Senate would consist of 75 members, including the 30 District Chief Ministers (appointed by the President) and 25 members appointed by the political parties after a General Election, with the remainder appointed by the President. Each bill passed by Parliament would be submitted to the Senate, which would have the power to delay legislation, except finance bills and those pertaining to national security and emergency powers, for a period of three months. The Senate would also be entitled to formulate and pass its own bills and submit them to Parliament for review.

Other Recommendations

¶7. (U) The SLFP proposals also included suggestions on disarmament, ethnic representation in the police and military, language education, ethnic grievances, and human rights.

- The armed forces and police must have a more multi-ethnic composition.

- Sinhala and Tamil languages should be taught in schools. English language study should be encouraged.

- The Minister of Justice, in consultation with the President, should appoint an Ethnic Ombudsman to each district. This ombudsman would be given authority to inquire and make recommendations on any disputes or grievances based on ethnicity.

- The existing human rights commission would be strengthened.

Harsh Criticism

¶8. (U) Local newspapers featured negative reactions from local observers and Tamil politicians. One critique which attracted wide attention strongly criticized the SLFP for deviating from the previous "consensus" that the unit of devolution should be the province. It argued that SLFP's intent in proposing devolution to the district level is to

COLOMBO 00000643 003 OF 004

divide minority populations into units that are too small and weak to protect and advance their interests. Rohan Edrisinha of the Centre for Policy Alternatives told Reuters that the SLFP's proposals are a "total disaster." He said they are a "huge blow to the peace process" and suggested that the SLFP has gone "back to the early 1980s, if not 1970s" in its thinking. In his view, the SLFP's plan offers less than the current 13th Amendment to the Constitution, which set up the provincial governments. Three minor Tamil political parties issued a joint statement rejecting the ruling party's proposal. V. Anandasangaree, President of the Tamil United Liberation Front; D. Sithadthan, President of the People's Liberation Organization of Tamil Eelam; and T. Sirtharan, General Secretary of the Eelam People's Revolutionary Liberation Front, signed a statement saying that the SLFP's proposals were detrimental to the peace process because they have made other parties' suggestions irrelevant. The statement stressed that Tamils will not accept any solution other than a federal constitution.

President Defends Draft as a Development Plan

¶9. (U) President Rajapaksa, during a stopover in London on his way home from the Cricket World Cup in Barbados, told the Asian Tribune that the unit of devolution needed to be smaller than the province because provinces were too large to carry out "real development." He urged critics not to focus only on devolution, but to also consider rural development as a way to empower people. He argued that under the SLFP's proposals, the District Councils will have more powers than they currently hold, most of which they now share with the central government and provincial councils.

Crossover Minister Admits Flaws

¶10. (C) Professor G. L. Peiris, Minister of Export Development and International Trade and a prominent "crossover" from the opposition UNP, told Charge and Pol Chief privately that the SLFP proposals could not possibly form the basis for draft legislation. Peiris, the chief architect of then-President Kumaratunga's 2000 proposals,

noted that the SLFP paper was actually "retrograde." He explained that abolishing the Provincial Councils would actually turn back the clock, requiring a repeal of the 13th Amendment. This was bound to increase tensions with India, since the 13th Amendment was a "sequel" to the 1987 Indo-Lanka Accord. Peiris held out hope that the SLFP proposal represented a "minimum threshold," not a ceiling, on which it may be possible to build. He acknowledged that the plan in its current form was "unimplementable," primarily due to its call for devolution to the district level.

¶11. (C) Peiris thought that the proposal was aimed primarily at the majority of southern Sinhalese voters who backed Rajapaksa in the November 2005 Presidential election. It was clear that these voters did not want a return to UNP policies during the Ceasefire Agreement. Rajapaksa's priority, he said, was obviously to underline the differences between himself and UNP leaders like Ranil Wickremesinghe. The issue was, having done this, whether the SLFP and the UNP could engage with others to find a way forward. Peiris said that what was needed was the "blueprint of a solution," i.e., a "credible proposal that could form the bedrock" for future talks with the Liberation Tigers of Tamil Eelam (LTTE). Peiris pointed out that there were significant elements of the SLFP, including important members of the SLFP drafting team, who disagreed with the President's approach. Further, Tamil and Muslim parties that were members of the governing coalition had also rejected the draft. Peiris contended that while the disarmament of all actors except the security

COLOMBO 00000643 004 OF 004

forces would be clearly unacceptable to the LTTE and others as a pre-condition, it was reasonable to work toward that as a goal in parallel with addressing substantive conflict-related issues.

¶12. (C) COMMENT: The SLFP's long-awaited proposal has done little to encourage local observers or the country's Tamil community about the future of the peace process. It is all but certain that the Tamil community, let alone the LTTE, will be unwilling to engage on the basis of the SLFP plan. This does not mean that the APRC process has reached its end.

If the SLFP and other contributing parties are prepared to work to achieve consensus -- primarily using the other various proposals as a starting point -- there may still be room to develop a compromise that could be acceptable to most Tamils. It will be necessary to find a face-saving way for the SLFP to give way on its idea of devolution to the districts, possibly by largely taking over its good ideas on local-level empowerment. The role of the Sri Lanka's largest party, the UNP, will be critical. The party at the moment faces a strategic imperative of trying to compete more effectively with the President. We will continue to urge UNP contacts to try and bracket this one issue as an area in which they are willing to suspend political infighting and cooperate with the SLFP in the common interest.

MOORE